

January 27, 1976

itself by virtue of the fact that somewhere along the line all of us, including the members of this Legislature, didn't perhaps pursue the issue as effectively as we should have and I think that now that Mr. Kreuscher has taken action demonstrates that the authority is there in the '69 act to take action. But I would, in discussing it with the attorney, felt that perhaps in the event that some of the packers would drag their feet and there was early indication that some might do that, now that has not happened, I think, lately, that if we took the rules and regulations adopted by the Department and enacted them into statute, then there would be no doubt as to the legislative intent. There would be no doubt as to whether or not the Department had the authority. There probably was some doubt earlier. This would remove all doubt and it would be a little bit more cumbersome. I am sure none of us like to enact unnecessary laws but it would be more cumbersome than the rule and regulation procedure but it would give the Department the absolute authority it needs to carry out that mandate.

SENATOR KREMER: Just one more comment, Mr. Chairman. Senator Schmit, the thing that troubles me a little bit is this that in the previous act we gave, not only the authority, but the responsibility of watching things as they develop, especially the financial situation of the packers and we are wondering if they were alert to what was happening that brought about this unfortunate situation that we have been talking about the last two years, and it seems we do need this type of legislation, and I did want to get from you a statement as to why you felt it may not be needed. Thank you for the information that you gave me.

PRESIDENT: Both Senator Keyes and Senator Schmit's lights are on. Turn Senator Keyes on or turn his microphone on. Don't turn him on.

SENATOR KEYES: Click, I am on. I would like to ask Senator Schmit a question.

SENATOR SCHMIT: Senator Keyes.

SENATOR KEYES: Senator Schmit, under what authority or how has Glenn Kreuscher, how has he now been able to come about and set up so the packers either will be bonded or they will be able to meet their obligations, by what authority, and what has he done to do this? I want to know and I want everybody on the floor of the Legislature and who are listening to know that Glenn Kreuscher, the Department of Agriculture, has been able to take care of the problem that happened with American Beef. How has he been able to do that?

SENATOR SCHMIT: With your permission, Senator Keyes, I will read you the letter that I received from Mr. Kreuscher, a brief letter dated January 14th. Read letter. See page 403, Journal. I have another letter from Mr. Abell, the Department Attorney, which is along the same line. I would suggest, if I may,